

Rep. Baird Blasts Bush Budget on House Floor-Budget Cuts and Rate Increases Unfairly Tax Washingtonians, Baird Says- (March 2, 2006)

Washington, D.C. - Congressman Brian Baird and his House Budget Committee colleagues today took to the House floor to decry President's Bush's misguided budget priorities. Congressman Baird focused on the impact that BPA rate increases, meth program cuts, and the loss of the state sales tax deduction will have on Washingtonians. The full text of Congressman's Baird's speech is below.

The President proposed his Fiscal Year 2007 budget on February 6, 2006.

I thank my good friend and colleague, and this is an important topic because it strikes at so many issues important to our families back home and the people that we represent.

Now this Administration has said repeatedly, "no new taxes." What they're not telling you is while they say on the one hand, "no new taxes," they are in fact passing a host of hidden fees that are tantamount to taxes on to the backs of the American people.

Now let me give you some examples that directly impact my constituents, the first of which, is indeed, according to the Administration reasoning, a new tax. Now if you listen to President Bush and our friends on the other side of the aisle, they will tell you that if we do not extend the capital gains and dividend tax cuts that go to the wealthiest Americans, that is equivalent to raising taxes. In other words, if you don't extend the tax cut, then you've effectively raised taxes.

Yet the President's budget does not extend deductibility of state sales tax that affects people in my state of Washington and six other states across the country. How much is this matter worth? Last year, our deduction for sales taxes, which we thought to put in on a bipartisan basis, saved the taxpayers of Washington State alone \$500 million dollars.

Now if the President believes that we don't need to extend that, then the President, according to his own logic, would raise taxes on Washington State taxpayers to the tune of \$500 million a year, which would be \$5 billion over the next decade.

A second effective tax increase that's going to strike the Northwest comes from the President's ill-conceived proposals for dealing with Bonneville Power Administration revenues. The President would force Northwest tax payers and the Bonneville Power Administration to take additional revenues from Bonneville and send them to the Federal Treasury, to disguise the true costs of the deficit rather than using them to lower the power rates, which currently are fifty percent higher than they were before the 2001 energy price crisis, which, not coincidentally, was precipitated by the actions of this very Administration.

Friends, if policies of this Administration increase your utility bill ten percent above the current levels, that is equivalent to a tax from an Administration that swore it would have no new taxes.

The President also is going to shift critical fees and expenses that also amount to an effective tax onto our local communities through their proposals to cut dramatically the Secure Rural Schools Initiative. In my district, two of the highest recipients in Washington State, two counties that are the highest recipients, Lewis and Skamania County, absolutely depend on this money to make their counties operate.

As we have seen curtailments in timber harvest and resulting revenues, these counties have come to depend and desperately need this money for public infrastructure, education, and safety, yet this Administration would first, cut the funding for this program, and second, require that we sell off federal lands, again, in a short term effort to disguise the deficit, that we sell off federal lands in order to provide the meager funds that would remain. Our local communities depend on this. Creative, collaborative efforts by environmentalists and timber companies and timber interests to get responsibly-practiced harvest in the woods would be decimated. We cannot let this go forward.

The federal government would also renege on its fundamental commitment to community safety, by cutting - this figure is astonishing - up to 80% of federal support for local law enforcement programs. Come to my district, Mr. President, and my friends on the other side of the aisle. Talk to my local sheriffs and police officers who fight the daily battle against the scourge of methamphetamine and other drugs and other crimes. Ask them can you do without Byrne Grants? Can you sustain the kind of cuts we are talking about in the COPS program? Can we really support further cuts in the High Intensity Drug Trafficking Area? We are making progress in the battle against methamphetamine, but increasingly international supply are coming through our virtually open borders. Our young people, even middle-age people are getting addicted to this horrific drug, and this Administration says now is the time to cut funding that the federal government provides local communities. It is bad policy, my friend, and it amounts to a tax on our local communities because they will be left to pick up the tab of reduced federal dollars. And it is a tax on you if your home is burglarized, if your family is assaulted, if your workplace no longer functions effectively because of the effects of this drug it is a tax, my friends, and it is being levied by the policies of this Administration.

Finally, last month we had a number of folks from our local school boards in our office, and they talked to me about the proposed cuts to critical education programs and the shortfalls of key educational opportunities. We all know that this Administration and this Republican-led Congress has proposed to increase the cost of student loans, even as college costs are sky-rocketing. But we need to know too, that folks who aren't planning to going to college, the folks who need a vocational education, who want to learn a trade or a skill, will be dramatically and adversely impacted by this ill-conceived budget. The President has proposed zeroing out the Perkins grant program, which local high schools and community college and vocational programs absolutely depend on to sustain their voc education programs.

It happened to me last week, or last month, that we had school board members and community college board members in my office one day talking about how devastating these cuts would be. The next day I heard from Josh Bolton, the President's OMB Director, who said everything's going to be just fine.

Mr. Bolton, Mr. President, please come to my district. When we finish talking to law enforcement about what you're going to do to them, we'll come talk to our educators about what your proposals will do to them.

It is a tax on our schools. It is a tax on our students. It is a tax on our families if you cut these resources.

You cannot continue to do this. You are funding a war without paying for it. You are funding tax cuts without paying for it. You are passing the debt on to our children and our grandchildren and all the while you are cutting vital and essential services and you are trying to disguise the costs of your cuts by increasing the rates on our Northwest electrical rate payers, by shifting costs to local communities, and by trying to sell off the federal lands. None of that is responsible policy. The American people should know about it and we must reject this ill-conceived budget plan by this Administration and our friends on the Republican side.

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